



The Savings Bank

23 July 2015

Gerard S. Poliquin
Secretary of the Board
National Credit Union Administration
1775 Duke Street
Alexandria, VA 22314-3428

JUL 27 '15 PM 2:29 BOARD

RE: Proposed Rulemaking for Member Business Loans, Part 723

Dear Secretary Poliquin,

I write to you in opposition to the proposed rulemaking for Member Business Loans.


The Savings Bank is a \$510 million mutually-controlled community bank. Our charter was issued in 1869. For over 145 years we have served customers, their families, and their businesses. It would appear that the proposed rule would widen the loopholes to the member business lending cap by stating that non-member business loan participations do not count towards the statutory cap and by *eliminating* the regulatory oversight of the concentrations of these loans. This will encourage credit unions to enter into more (multi)million dollar commercial lending deals. This would seem to pose serious safety and soundness concerns for NCUA as NCUA is charged with protecting the industry's insurance fund and not effectively putting taxpayers at risk.

In 1998, Congress made it clear that credit unions should be focused on consumer lending, not commercial lending. Congress imposed restrictions on credit union business lending "to ensure that credit unions continue to fulfill their specified mission of meeting the credit and savings needs of consumers, especially persons of modest means, through an emphasis on consumer rather than business loans."

By proposing this rule, the NCUA board has blatantly disregarded congressional intent. NCUA should not undermine specific limitations by Congress nor expand the taxpayer liability.

Thank you for your consideration of my comments.

Sincerely,


Brian D. McCoubrey
President and Chief Executive Officer

Cc: Senator Elizabeth Warren
Senator Edward Markey
Representative Seth Moulton